

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
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**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

DAVID FRANKLIN HULL, JR.

Respondent.

STIPULATION AND CONSENT
ORDER

Docket No. SD-06-0088

The Utah Division of Securities (Division), by and through its Director of Enforcement, Michael Hines, and David Franklin Hull, Jr. hereby stipulate and agree as follows:

1. David Franklin Hull, Jr. (Hull) was the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Uniform Securities Act (the Act), Utah Code Ann. § 61-1-1, et seq, as amended.
2. In connection with that investigation, on November 6, 2006, the Division issued an Order to Show Cause to Hull, alleging that he committed securities fraud in violation of the Act.

3. Hull and the Division have agreed to settle the matter by way of this Stipulation and Consent Order (Consent Order).
4. Hull is represented by attorney Wallace Boyack and is satisfied with the legal representation he has received.
5. Hull admits the jurisdiction of the Division over him and over the subject matter of this action.
6. Hull waives any right to a hearing to challenge the Division's evidence and present evidence on Hull's behalf.

THE DIVISION'S INVESTIGATIVE FINDINGS

From August 2005 to February 2007, the Division conducted an investigation of Hull which revealed the following:

7. David Franklin Hull, Jr. currently resides in the state of Arizona, but at all times relevant to the matters included in this Consent Order, Hull resided in Summit County, Utah.
8. In December 2003, Utah investor, D. A., met Hull in Summit County, Utah, where they were both on the board of directors of a local church (the Church).
9. On July 14, 2004, as president and CEO of Tambora Financial Corporation (Tambora)¹, Hull issued a letter to Tambora shareholders stating that Tambora had "signed a binding

¹ Tambora Financial Corporation was incorporated in the state of Utah on September 22, 1997, and its corporate status is currently "active." According to documents Tambora provided to the Division, Tambora was organized for the purpose of purchasing existing insurance companies.

commitment with a public shell, which puts us on a specific timetable to become a public company.”

10. Over a period of several months in 2004, Hull solicited D. A. to purchase shares of Tambora. Hull told D. A. that Tambora was a private corporation, but when it went public, D. A. would make three times what he invested.
11. On November 10, 2004, D. A. purchased \$7,500 in Tambora stock, by giving Hull a personal check made payable to the Church. D. A. intended to donate the Tambora stock to the Church.
12. Hull deposited D. A.’s check into the Church’s bank account, and in turn, issued a check from the Church to Tambora for \$7,500.
13. In late November 2004, D. A. decided against purchasing the Tambora stock, and contacted Hull to ask for a refund. Hull told D. A. a refund was not possible.
14. D. A. then told Hull to put the stock certificate in D. A.’s name rather than the Church’s name.
15. On or about December 24, 2004, D. A. received his stock certificate representing 10,000 shares of Tambora.
16. On July 29, 2005, as president and CEO of Tambora, Hull issued a letter to shareholders stating that the board of directors had “voted to remain a private company and not become public.”

Securities Fraud

17. In connection with the offer and sale of securities to D. A., Hull made the following false statement:

- a. That when Tambora went public, D. A.'s investment would triple in value, when, in fact, Hull had no reasonable basis on which to make this representation.

THE DIVISION'S CONCLUSIONS

18. Based on the Division's investigative findings, the Division concludes that:

- a. The stock offered and sold by Hull is a security under § 61-1-13 of the Act.
- b. Hull violated § 61-1-1 of the Act by making a misrepresentation of material fact in connection with the offer and sale of a security.

19. Hull neither admits nor denies the substance of the Division's investigative conclusions and consents to the Division entering an Order:

- a. Requiring Hull to cease and desist from engaging in any conduct in violation of the Utah Securities Act.
- b. Requiring Hull to make a payment of eight thousand five hundred dollars (\$8,500) to the Division's Training and Investor Education Fund by December 31, 2007.

All funds within the Training and Investor Education Fund are utilized by the Division, at its discretion, and as it sees fit.

20. Hull acknowledges that this Consent Order, upon approval by the Division Director, shall be the final compromise and settlement of this matter. Hull further acknowledges that if the Division Director does not accept the terms of the Consent Order, it shall be deemed null and void and without any force or effect whatsoever.
21. Hull acknowledges that the Consent Order does not affect any civil or arbitration causes of action that third parties may have against Hull arising in whole or in part from his actions, and that the Consent Order does not affect any criminal cause of action that a prosecutor might bring.
22. This Consent Order constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect this Consent Order in any way.
23. Hull represents that any information he has provided to the Division is accurate and complete, and if the Division finds otherwise, Hull acknowledges that this Consent Order will be deemed null and void and without any force or effect whatsoever.
24. Violation of this Consent Order is a third degree felony pursuant to § 61-1-21(1) of the Act.
25. Hull has read this Consent Order, understands its contents, and enters into this Consent Order voluntarily. No promises or threats have been made by the Division, nor by any

member, officer, agent, or representative of the Division other than as contained herein, to induce Hull to enter into this Consent Order.

Utah Division of Securities

Date: 12/18/07

By: [Signature]
Michael Hines
Director of Enforcement

Respondent

Date: 12.06.07

By: [Signature]
David Franklin Hull, Jr.

Approved:

[Signature]
Jeff Buckner
Assistant Attorney General

[Signature]
Wallace Boyack
Attorney for Hull

ORDER

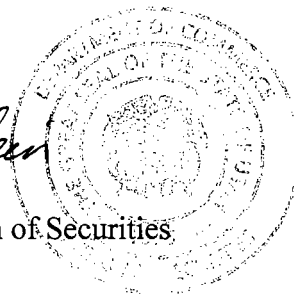
Pursuant to the terms of the Stipulation and Consent Order defined above, the Director of the Utah Division of Securities hereby orders that:

- a. David Franklin Hull, Jr. CEASE and DESIST from engaging in any conduct in violation of the Utah Securities Act.
- b. David Franklin Hull, Jr. make a payment of eight thousand five hundred dollars (\$8,500) into the Division's Training and Investor Education Fund by December 31, 2007. All funds within the Training and Investor Education Fund are utilized by the Division, at its discretion, and as it sees fit.

DATED this 15th day of January, 2008.


WAYNE KLEIN

Director, Utah Division of Securities



Certificate of Mailing

I certify that on the 15th day of JANUARY 2007, I mailed a true and correct copy of the Stipulation and Consent Order to:

David Franklin Hull, Jr.
9309 E. Mount Springs Road
Scottsdale, AZ 85255

Wallace T. Boyack PC (Attorney for Hull)
2290 E. 4500 S. Suite 130
Salt Lake City, UT 84117


Executive Secretary